



NC OSC Policy 101.1

Cash, Cash Equivalents, and Pooled Cash Policy

Policy Area: Accounting & Financial Reporting	Effective Date: 7/1/1995
Policy Sub Area: Account Classification	Last Revision Date: 7/1/2006
Authority: GASB Codification Sections 2450 and C20 and G.S 147-77	Policy Owner/Division: Statewide Accounting
<p><u>Policy:</u></p> <p>Cash and cash equivalents consist of the pooled cash accounts of the State Treasurer and the following items managed by agencies and institutions of the State and its component units:</p> <ul style="list-style-type: none">• Undeposited receipts• Petty cash• Checking accounts outside the State Treasurer• Time deposits outside the State Treasurer, excluding certificates of deposit, which are considered investments. <p>Cash and cash equivalents are reported on both the balance sheet and the statement of cash flows as cash and cash equivalents.</p> <p>Pooled cash consists of funds deposited by the individual agencies with the pooled cash accounts of the State Treasurer. Because pooled cash is immediately available to the funds, it is considered a form of cash equivalent.</p> <p>Pooled cash is reported on the balance sheet under the Cash and Cash Equivalents caption and on the statement of cash flows as cash and cash equivalents.</p> <p>The daily deposit requirement of G.S. 147-77 should be followed by any department of the State which collects revenue for the State.</p>	
<p><u>Procedures</u></p> <p>NA</p>	
<p><u>Accounting Guidance</u></p> <p>NA</p>	

Related Documents (Memos/Forms)

See the Chart of Accounts: [Cash, Cash Equivalents, and Pooled Cash 111AAA](#)

All agencies, universities, colleges, and component units should refer to the State Treasurer's publication (<https://www.nctreasurer.com/fod/Pages/Collateralization.aspx>) titled "Collateralization of Public Deposits in North Carolina," for assistance in determining whether the agency, university, college, or component unit is eligible for collateralization. Financial institutions in North Carolina serving as official depositories for public funds, as well as the organizations which deposit those funds, are subject to statutory and regulatory requirements regarding the collateralization of certain public deposits. These statutory and regulatory requirements are codified in the North Carolina Administrative Code - Title 20, Chapter 7. The State Treasurer's publication named above contains the applicable Administrative Code pertaining to the collateralization requirements, as well as a general explanation of the code.

Revision History

Date	Description
7/1/2006	Formatting changes